

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA**

BASF AGRO B.V., ARNHEM (NL),
WÄDENSWIL BRANCH,
BAYER S.A.S., and MERIAL LIMITED,

Plaintiffs,

v.

CHEMINOVA, INC.,

Defendant.

C.A. No. 10-cv-274-WO-WWD

**PLAINTIFFS' OBJECTION TO CONSOLIDATION OF *MARKMAN*
HEARINGS IN THE CHEMINOVA AND MAKHTESHIM CASES**

Plaintiffs respectfully submit this Objection to Consolidation of *Markman* Hearings in the Cheminova and Makhteshim Cases. On April 6, 2011 the Court held a teleconference with the parties in the Cheminova case regarding the possibility of consolidating the *Markman* hearing in this case with that tentatively scheduled in a related case (No. 1:10CV276) (the "Makhteshim case").¹ Because consolidation would necessarily require delay of the preliminary injunction proceedings in the Makhteshim case due to Cheminova's injection of expert issues into *Markman* proceedings in this case, Plaintiffs oppose consolidation. With respect to the '848 and '943 process/manufacturing patents, which are not in suit in the Makhteshim case, Plaintiffs oppose consolidation for the additional reason that it would not even potentially contribute to more efficient resolution of the two cases.

Accordingly, Plaintiffs respectfully request that a separate *Markman* hearing for this case be scheduled after the close of discovery.

¹ Subsequently, the parties in the Makhteshim case have conferred and agreed to the following tentative schedule in the Makhteshim case:

- May 2, 2011: *Markman* hearing on '010 and '743 method/application patents
- May 4-5, 2011: Preliminary injunction hearing

I. ARGUMENT

A. Cheminova Inserted Experts Into *Markman*.

The November 17, 2010 Scheduling Order in this case set no *Markman* (claim construction) hearing date. (D.I. 61) Prior to claim construction briefing, Plaintiffs agreed to leave open the possibility for coordinating the *Markman* hearing in this case with that in the Makhteshim case. However, coordination of a *Markman* hearing with the Makhteshim case became impractical as a result of Cheminova's unilateral and deliberate decision, unlike either Plaintiffs or the Makhteshim case Defendants, to rely on expert declarations in its opening *Markman* brief. (D.I. 70, Attachments 1 & 2)

Plaintiffs did not include expert declarations in their opening claim construction brief² and only submitted expert declarations in response to those of Cheminova. (D.I. 78, Attachments 5 & 6) Cheminova went even further, relying on additional expert declarations in its *Markman* responsive brief. (D.I. 84 & 85)

In contrast, neither Plaintiffs nor the Makhteshim case Defendants relied on any expert declarations in any of the *Markman* briefs in the Makhteshim case.

Further, as noted in Plaintiffs' Opposition To Defendant's Emergency Motion For Scheduling Conference (D.I. 91), Cheminova rejected Plaintiffs' offer to join in seeking consolidation of the *Markman* hearing with that in the Makhteshim case if Cheminova agreed that the parties would mutually not rely on any of the expert declarations, making expert depositions unnecessary before a *Markman* hearing. Thus, Cheminova repeatedly has taken steps to ensure that

² Expert evidence is not necessary, and in fact is disfavored, in *Markman* proceedings. *Phillips v. AWH Corp.*, 415 F.3d 1303, 1318 (Fed. Cir. 2005) (*en banc*) ("extrinsic evidence consisting of expert reports and testimony is generated at the time of and for the purpose of litigation and thus can suffer from bias that is not present in intrinsic evidence.").

full expert discovery must be completed before any *Markman* hearing can be held in this case. (*See, e.g.,* D.I. 90; Exs. B, C to D.I. 91)

B. The Necessary Expert Discovery Cannot Be Completed In Time

Formal expert discovery has just begun in this case, with the service of opening expert reports on April 6, 2011. Responsive expert reports are not due until April 27, 2011. Afterwards, at least the four experts who have thus far opined on *Markman* issues in this case will have to be deposed prior to a *Markman* hearing – as Cheminova concedes in its Reply Brief in Further Support of Emergency Motion for Scheduling Conference. (D.I. 92) (“[B]efore a *Markman* hearing is held and claim construction submitted to the Court, some period of expert discovery addressed to the substance of these declarations will be needed.”)

To make matters worse, Cheminova has offered one of its experts for deposition on May 2 – the day the *Markman* hearing is tentatively scheduled in the Makhteshim case, and offered the other two experts for deposition on May 4 and May 9. (*See* Ex. A, attached hereto.) Further, Cheminova proposes that following expert depositions “some limited supplemental briefing of claim construction issues will need to occur prior to a *Markman* hearing... to provide the Court with the fruits of that expert discovery.” (D.I. 92, ¶11) Thus, by Cheminova’s own admission, much of the expert discovery necessary to conduct a *Markman* hearing in this case, and any resulting supplemental briefing, will not even have begun before the May 2 *Markman* hearing tentatively scheduled in the Makhteshim case.

Cheminova’s filing of a premature summary judgment motion has further frustrated the possibility of completing expert discovery in time for a coordinated *Markman* hearing. As noted in Plaintiffs’ concurrently filed Objection to and Motion to Postpone Briefing on Defendant’s Motion For Summary Judgment, Cheminova has filed a summary judgment motion prior to the start of expert discovery. Absent the Court’s intervention, Plaintiffs must expend unnecessary resources,

prior to the *Markman* hearing tentatively scheduled in the Makhteshim case, responding to the premature summary judgment motion. This is highly likely to further delay the conduct of expert discovery predicate to a *Markman* hearing in this case.

Thus, because of Cheminova's own actions, including its deliberate choice to insert experts into *Markman*, coordination of a *Markman* hearing with the Makhteshim case would now be unworkable without postponing the *Markman* hearing tentatively scheduled for May 2 in the Makhteshim case. This would, in turn, unacceptably require postponement of the May 4-5 preliminary injunction hearing in the Makhteshim case. Accordingly, Plaintiffs oppose consolidation.

C. There Is No Reason To Consolidate *Markman* On The '848 And '943 Patents

The '848 and '943 process/manufacturing patents are not in suit in the Makhetshim case and relate to completely different subject matter than the '010 and '743 method/application patents that are common to both cases. The process/manufacturing patents cover how fipronil is made and the chemistry involved. The '010 and '743 patents cover how fipronil is applied as a termiticide to protect a structure. Thus, neither judicial economy nor convenience to the parties would be furthered by consolidating a *Markman* hearing on these unrelated patents with the *Markman* hearing tentatively scheduled in the Makhteshim case. For this additional reason, Plaintiffs oppose consolidation with respect to the '848 and '943 patents.

II. CONCLUSION

For all of the above reasons, Plaintiffs object to consolidation of the *Markman* hearing in this case with the *Markman* hearing tentatively scheduled in the Makhteshim case. Instead, Plaintiffs respectfully request that a separate *Markman* hearing for this case be scheduled after the close of expert discovery.

Alternatively, if the Court decides to consolidate the *Markman* hearings on the '010 and '743 method/application patents on May 2, Plaintiffs request that no expert testimony be permitted either by live testimony or by Declaration. In that event, Plaintiffs further request that the *Markman* hearing in this case on the '848 and '943 process/manufacturing patents be held after the close of expert discovery.

WOMBLE CARLYLE SANDRIDGE & RICE, PLLC

DATED: April 8, 2011

/s/ Pressly M. Millen

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CERTIFICATE OF SERVICE

I hereby certify that I electronically filed the **PLAINTIFFS' OBJECTION TO CONSOLIDATION OF MARKMAN HEARINGS IN THE CHEMINOVA AND MAKHTESHIM CASES** with the Clerk of Court using the CM/ECF system which will send notification of such filing to the following CM/ECF participants: Daniel Alan M. Ruley, aruley@belldavispitt.com, William K. Davis, wdavis@belldavispitt.com, Christopher G. Kelly, christopher.kelly@hklaw.com, Steven L. D'Alessandro, steven.dalessandro@hklaw.com, Robert J. Burns, robert.burns@hklaw.com, Joshua C. Krumholz, Joshua.krumholz@hklaw.com, Jitendra Malik, jmalik@alston.com, John Patrick Elsevier, jpelsevier@jonesday.com, Matthew W. Howell, matthew.howell@alston.com, Com, Judy C. Jarecki-Black, jduy.jarecki@merial.com, and Frank G. Smith, frank.smith@alston.com.

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